Approved for Release: 2018/09/17 C02996428

The National Intelligence Daily

Published by the Director of Central Intelligence for Named Principals Only

THURSDAY MARCH 25, 1976 VOLUME 3, NUMBER 71

3.5(c)

TOP SECRET

EO 13526 3.5(c) NR

Copy No. 178

3.5(c)

ARGENTINA: The junta is firmly in place and gives the impression it intends to stay in power for some time. It has banned political and union activity, closed congress, suspended the supreme court, and begun to appoint military governors for the provinces. There has been little violence. 3.5(c)

NR

Argentine Junta Appears to Be In Firm Control

Argentina's new military junta is firmly in place and giving the impression that it intends to retain power for some time.

Former president Peron, her secretary and adviser Julio Gonzalez, and several Peronist leaders are in military custody. While there have been reports that she would be tried on corruption charges, she probably will be allowed to go into exile in Spain.

Even as she was being deposed, junta President Jorge Videla was moving to set up the new government. A steady stream of official proclamations began flowing from military headquarters, reflecting the military's continuing preoccupation with terrorism. So far there has been little violence, but stiff penalties have been decreed for anyone who assists the terrorist cause. Security forces have been ordered to shoot anyone found interfering with public services.

Videla and the two other junta members, Admiral Massera and General Agosti, were sworn into office in a perfunctory ceremony yesterday morning. The government has banned political and labor union activity, closed congress,

(See Argentine. . .Page 4)

3.5(c)

TOP SECRET

NR

Approved for Release: 2018/09/17 C02996428

Approved for Release: 2018/09/17 C02996428

NR

Page Denied

Approved for Release: 2018/09/17 C02996428

Approved for Release: 2018/09/17 C02996428

NR

Page Denied

Approved for Release: 2018/09/17 C02996428

Approved for Release: 2018/09/17 C02996428

Argentine Junta Installs Interim Cabinet . . .

From Page 1

suspended the supreme court, and begun to appoint military governors for Argentina's 22 provinces.

The interim cabinet appointed yesterday is composed of relatively young, field-grade officers from the three services. The foreign affairs and economy portfolios probably will eventually go to civilians, while retired military officers will head the other six ministries.

The junta will have to turn to foreign governments, commercial banks, and international financial institutions for help in dealing with the severe economic problems it inherited. It will make every effort to avoid repressive measures that might damage its international reputation.

The top military leaders are friendly toward the US and will strive to improve Argentina's ties with Washington. They will be looking to the US as a source of investment and new capital to cover Argentina's huge debt payments and current account deficit.

The next several months are likely to continue to be tough for US firms in Argentina. They will suffer from labor agitation, sabotage, and shortages of all kinds. The security risk for US personnel will remain high.

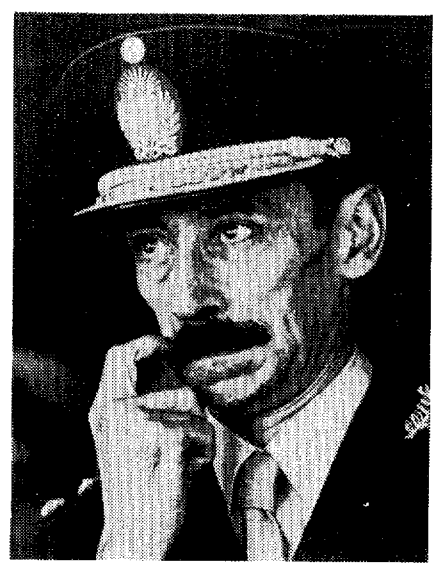
Like his recent predecessors, both civilian and military, Videla has begun with the hope of restoring a sense of well-being to the badly fragmented nation. Among its stated objectives, the junta vows "to restore morality and honesty, to eradicate subversion, and to provide initiative to foreign and national capital."

Former governments have failed to put muscle behind similar rhetoric, and Videla's task may prove even more difficult. The terrorists and Peronist labor are still potent forces and rampant inflation is forcing even apolitical workers to support radical demands for ever higher wages.

The new leaders will need the support of the foreign and domestic financial communities if they are to succeed.

3.3(b)(1)

Admiral Eduardo Emilio Massera, commander of the navy, [redacted] He is widely respected, but has been criticized by some naval officers for his "strongman" leadership of the navy. Massera has consistently deferred to General Videla on coup decisions but has said that he disagrees with Videla's view that labor should be represented in the new government. There is some indication that in this case Massera's position may prevail. Now 50 years old, Admiral Massera has been assigned to Washington and has traveled widely. (U)



Lieutenant General Rafael Videla, chief of the army general staff before the coup, is a [redacted] strong constitutionalist. [redacted] General Videla [redacted] has made it clear that as long as he governs Argentina, it will be as a soldier and not as a politician. (U)

Brigadier General Orlando Ramon Agosti, commanding general of the air force, [redacted] believes in strong inter-service cooperation and is from the same small town as General Videla, an old friend. Now 51 years old, he was promoted to the head of his service after the air force coup attempt last December was thwarted by General Videla. [redacted] He was in Washington in the early 1960s as an adviser to the Inter-American Defense Board and returned in 1973 as air attache. (U)

3.5(c)

3.3(b)(1)

[redacted] 3.5(c)

TOP SECRET

Approved for Release: 2018/09/17 C02996428